

REMARKS

In the Office Action dated June 10, 2003, the Examiner rejected claims 1-15 under 35 U.S.C. § 101 as directed to non-statutory subject matter; rejected claims 2, 17, 32, and 47 under 35 U.S.C. § 112, second paragraph as being indefinite; rejected claims 1, 3, 4, 13, 16, 18, 19, 28, 31, 33, 34, 43, 46, 48, 49, and 58 under 35 U.S.C. § 102(b) as being anticipated by the *Bank Marketing International* article entitled "Are your customers profitable?" (PTO-892, Item W) ("*Bank Marketing*"); rejected claims 2, 5, 6, 14, 15, 17, 20, 21, 29, 30, 32, 35, 36, 44, 45, 47, 50, 51, 59, 60 under 35 U.S.C. § 103(a) as being unpatentable over *Bank Marketing*, and further in view of U.S. Patent No. 6,411,936 to *Sanders* in view of *Hutton, J.L.*, "Choice of parametric accelerated life and proportional hazards models for survival data: asymptotic results" (PTO-892, Item X) ("*Hutton*"); rejected claims 7-12, 22-27, 37-42, and 52-57 under 35 U.S.C. § 103(a) as being unpatentable over *Bank Marketing* and *Hutton* and further in view of *Sanders*. Claims 1-60 remain pending, and Applicants submit that the rejections should be withdrawn for the reasons discussed below.

Rejection of claims 1-15 under 35 U.S.C. § 101

Applicants traverse the rejection of claims 1-15 under 35 U.S.C. § 101 because these claims are directed to the technological arts and produce useful, concrete, and tangible results.

The Examiner alleges that independent claim 1 recites steps that "represent mere ideas in the abstract since they do not involve physical and/or computer means to carry them out" (Office Action, page 3). Applicants respectfully disagree.

Initially, Applicants traverse the Examiner's use of the two-prong test set forth in the Office Action to reject claims 1-15 under 35 U.S.C. § 101. In particular, Applicants traverse the Examiner's application of (1) determining "whether the invention is within the technological arts" and (2) determining "whether the invention produces a useful, concrete, and tangible result"

in rejecting claims 1-15. The Examiner fails to provide any authority to support the above interpretation of the current applicable law. For at least this reason, Applicants traverse the Examiner's application of the above test. Further, Applicants submit that the second prong of the Examiner's two-prong test is actually part of the first prong. It appears the Examiner, in applying the above test, may be referring to the tests described in MPEP 2106(IV)(B)(2)(b), which states:

[t]o be statutory, a claimed computer-related process must either:
(A) result in a physical transformation outside the computer for which a practical application in the technological arts is either disclosed in the specification or would have been known to a skilled artisan (discussed in i below), or (B) be limited to a practical application within the technological arts (discussed in ii) below.

Under the above provisions, a process is statutory if it is limited to a practical application in the technological arts. As MPEP 2106(IV)(B)(2)(b)(ii) indicates, a "claim is limited to a practical application [in the technological arts] when the method, as claimed, produces a concrete, tangible and useful result; i.e., the method recites a step or act of producing something that is concrete, tangible, and useful." Thus, the second prong of the Examiner's two-prong test is actually part of the first prong. That is, if Applicants establish that claims 1-15 include processes that produce a useful, concrete, and tangible result, then this in and of itself results in the processes being within the technological arts and therefore statutory. Accordingly, Applicants submit that the two-prong test used by the Examiner in rejecting claims 1-15 is improper.

The impropriety of the Examiner's two-prong test notwithstanding, Applicants submit that the process steps recited in claims 1-15 are statutory under 35 U.S.C. § 101. As indicated by the Federal Circuit, the question of whether a claim is statutory focuses on "the essential characteristics of the subject matter, in particular, its practical utility." *State Street Bank & Trust*

Co. v. Signature Fin. Group, Inc., 149 F.3d 1368, 1375. The Federal Circuit has held that if a claim includes recitations that produce “a concrete, tangible and useful result,” the claim is not abstract and has practical utility. *See State Street*, 149 F.3d at 1373, *AT&T Corp. v. Excel Communications, Inc.*, 172 F.3d 1352, 1358. And, if the claim is not abstract and has practical utility, it is statutory under 35 U.S.C. § 101.

It is clear that the subject matter recited in claims 1-15 has practical utility and is therefore statutory. In *State Street*, the Federal Circuit held that taking “data representing discrete dollar amounts through of series mathematical calculations to determine a final share price” was a useful, concrete, and tangible result and therefore patentable subject matter. *See AT&T*, 172 F.3d at 1358 (summarizing *State Street* 149 F.3d at 1373). In *AT&T*, the claimed process involved determining, via a Boolean principle, a value of a PIC (primary interexchange carrier) indicator, which represents information about a call recipient’s PIC. *See id.* The Federal Circuit held in that case that information representative of a call recipient’s PIC, is “a useful, non-abstract result that facilitates differential billing of long-distance calls made by an IXC’s subscriber.” *Id.* Similarly, claims 1-15 clearly include processes that produce useful, concrete, and tangible results. For example, the process set forth in claims 1-15, provides, *inter alia*, a capability of generating a hazard function to determine customer churn probability and calculating a gain in lifetime value, which are useful, concrete, and tangible results that facilitate a determination of a focus for loyalty and retention programs. Further, as explained in Applicants’ specification on page 19:

[the gain in lifetime value may serve] as a guide for [a]... company’s interactions with individual customers when their retention may depend on a modified pricing plan or concessions...[, and may become] the basis for segmenting customers into groups to which different retention efforts and concessions might be offered.

Because claims 1-15 are drawn to useful, concrete, and tangible results, these claims have practical utility and are not abstract. The Examiner alleges that “no physical and/or computer means are used to carry out the steps of the invention.” (Office Action, page 3). However, whether or not a process can be performed “without physical and/or computer means” is not dispositive of determining whether a claimed process is statutory. In fact, the Federal Circuit indicated that arguing that process claims are not patentable subject matter because they lack physical limitations “reflects a misunderstanding of...[the] case law.” *AT&T*, F.3d at 1359.

The present invention is useful at least because it provides a method for evaluating customer value to guide loyalty and retention programs. Accordingly, claims 1-15 are drawn to a useful, concrete, and tangible result, and are therefore not abstract but, rather, statutory under 35 U.S.C. § 101.

Rejection of claims 2, 17, 32, and 47:

The Examiner alleges that the formula $ER^*_i - ER_i(0) = GLTV$ recited in each of claims 2, 17, 32, and 47 is unclear and therefore indefinite. Applicants remind the Examiner that “[t]he essential inquiry pertaining to [the]...requirement [of definiteness] is whether the claims set out and circumscribe a particular subject matter with a reasonable degree of clarity and particularity.” M.P.E.P § 2173.02 (8th ed. 2001). Despite the Examiner’s allegations, Applicants submit that the subject matter defined by claims 2, 17, 32, and 47 is set forth with a reasonable degree of clarity and particularity. A skilled artisan would be apprised of the scope of claims 2, 17, 32, and 47, from the claim language itself and the supporting disclosure (see, for example, Applicant’s Specification page 18, line 14 - page 20, line 16). Applicants remind the Examiner that “[s]ome latitude in the manner of expression and the aptness of terms should be permitted even though the claim language is not as precise as the examiner might desire.”

M.P.E.P § 2173.02 (8th ed. 2001). As claims 2, 17, 32, and 47 are fully compliant with 35 U.S.C. § 112, 2nd paragraph, Applicants request withdrawal of the rejection.

In referring to the specification above, Applicants do not intend to limit the scope of the claims to the exemplary embodiments shown in the drawings and described in the specification. Rather, Applicants expressly affirm their entitlement to have the claims interpreted broadly, to the maximum extent permitted by statute, regulation, and applicable case law.

Rejection under 35 U.S.C § 102(b)

Applicants submit that claims 1, 3, 4, 13, 16, 18, 19, 28, 31, 33, 34, 43, 46, 48, 49, and 58 are not anticipated by *Bank Marketing*. In order to properly anticipate Applicants' claimed invention under 35 U.S.C. § 102(b), each and every element of the claim in issue must be found, either expressly described or under principles of inherency, in a single prior art reference. Further, "[t]he identical invention must be shown in as complete detail as is contained in the...claim." See M.P.E.P. § 2131 (8th Ed., Aug. 2001), quoting *Richardson v. Suzuki Motor Co.*, 868 F.2d 1126, 1236, 9 U.S.P.Q.2d 1913, 1920 (Fed. Cir. 1989). Finally, "[t]he elements must be arranged as required by the claim." M.P.E.P. § 2131 (8th Ed. 2001), p. 2100-69.

Claim 1 recites a combination of steps including:

generating a hazard function for each of a plurality of new customers to determine probability of churn based on the individual customer's tenure;

calculating a gain in lifetime value for each of the plurality of new customers; and

determining a focus for a loyalty and retention program based on at least one of the hazard function and gain in lifetime value for each of the plurality of new customers.

Bank Marketing fails to teach or suggest at least the above claimed steps. Contrary to the Examiner's position, predicting "the length of time a customer is likely to stay with [a] bank," as

described by *Bank Marketing*, is not consistent with generating a hazard function to determine the probability of a new customer churning, as recited in claim 1. Predicting how long a customer will stay with a company (i.e., survival) is not the same as generating a hazard function that represents a probability of a customer's termination of service based on previous behavior. *Bank Marketing* does not teach or suggest at least generating a hazard function, as claimed. Instead, the relied-upon portion of the reference merely mentions predicting customer survival.

Moreover, *Bank Marketing* fails to teach or suggest at least "calculating a gain in lifetime value for each of the plurality of new customers," as claimed. The relied-upon portion of the reference merely mentions, as the Examiner notes, "looking at estimated customer lifetime value (LTV)" (Page 2: ¶ 11, lines 1-3; ¶ 12, lines 1-3). Evaluating estimated customer LTV, as mentioned by *Bank Marketing*, is not the same as calculating a gain in lifetime value for each of a plurality of new customers, as claimed.

In addition, *Bank Marketing* does not anticipate the determining step recited in claim 1. The relied-upon portions of the reference merely mention building a customer profile, applying profitability ratings, and offering lower prices and bundled services to a customer (Page 3, ¶¶ 2, 3; Page 4, ¶ 5). *Bank Marketing* does not disclose at least determining a focus for a loyalty and retention program based on at least one of the hazard function and gain in lifetime value for each of the plurality of new customers.

As set forth above, anticipation under 35 U.S.C. § 102(b) requires that each and every claim element be disclosed in as complete detail as is in the claim by the applied reference. *Bank Marketing* does not teach each and every feature of independent claim 1 and therefore, as a matter of law, cannot anticipate this claim. Thus, the rejection of independent claim 1 under 35 U.S.C. §102(b) as anticipated by *Bank Marketing* should be withdrawn.

Each of independent claims 16, 31, and 46 recites subject matter that parallels subject matter recited in allowable claim 1. In particular, each of claims 16, 31, and 46 recites, *inter alia*:

generating a hazard function for each of a plurality of new customers to determine probability of churn based on the individual customer's tenure;

calculating a gain in lifetime value for each of the plurality of new customers; and

determining a focus for a loyalty and retention program based on at least one of the hazard function and gain in lifetime value for each of the plurality of new customers.

For at least the reasons presented above in connection with claim 1, independent claims 16, 31, and 46 are patentable over the cited prior art.

Claims 3, 4, 13, 18, 19, 28, 33, 34, 43, 48, 49, and 58 are allowable at least by virtue of their respective dependence from allowable base claims 1, 16, 31, and 46.

Accordingly, Applicants request withdrawal of the rejection under 35 U.S.C. § 102(b) and the timely allowance of claims 1, 3, 4, 13, 16, 18, 19, 28, 31, 33, 34, 43, 46, 48, 49, and 58.

Rejections under 35 U.S.C § 103(a)

I. Regarding the Hutton reference

In order to maintain a rejection under 35 U.S.C. § 103(a), the references used to make the rejection must qualify as prior art. Applicants submit that *Hutton* does not qualify as prior art. The *Hutton* reference is an abstract, bearing a date of "Dec. 2002." The December 2002 date, however, is at variance with the Copyright date of 2003. Further, the reference is an abstract, and there is no proof that the December 2002 date is in any way meaningful with regard to publication. To the extent the Examiner is applying *Hutton* as a "printed publication," the Examiner is respectfully reminded that a publication cannot be relied upon as prior art under 35

U.S.C. § 103 if it does not include a publication date or retrieval date. The lack of a meaningful publication date notwithstanding, the present application was filed on June 13, 2000 and therefore antedates the date appearing on *Hutton*. Thus, unless the Examiner produces the requisite proof of *Hutton*'s dissemination and publication prior to Applicants' filing date (*See* M.P.E.P. § 2128), *Hutton* is not a competent prior art reference within the context of 35 U.S.C. § 103 and cannot be used in combination with *Bank Marketing* or *Sanders* to reject Applicants' claims.

II. Claims 2, 5, 6, 14, 15, 17, 20, 21, 29, 30, 32, 35, 36, 44, 45, 47, 50, 51, 59, and 60

Applicants deem claims 2, 5, 6, 14, 15, 17, 20, 21, 29, 30, 32, 35, 36, 44, 45, 47, 50, 51, 59, and 60 patentable at least by virtue of their respective dependence from allowable base claims 1, 16, 31, and 46.

Moreover, Applicants submit that a *prima facie* case of obviousness has not been established with respect to claims 2, 5, 6, 14, 15, 17, 20, 21, 29, 30, 32, 35, 36, 44, 45, 47, 50, 51, 59, and 60. To establish a *prima facie* case of obviousness under 35 U.S.C. § 103(a), each of three requirements must be met. First, the references, taken alone or in combination, must teach or suggest each and every element recited in the claims. *See* M.P.E.P. § 2143.03 (8th ed. 2001). Second, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to combine the references in a manner resulting in the claimed invention. Third, a reasonable expectation of success must exist. Moreover, each of these requirements must "be found in the prior art, and not be based on applicant's disclosure." M.P.E.P. § 2143 (8th ed. 2001).

To begin with, Applicants point out that the rejection of claims 2, 5, 6, 14, 15, 17, 20, 21, 29, 30, 32, 35, 36, 44, 45, 47, 50, 51, 59, and 60, as set forth in the Office Action, is ambiguous. For example, Applicants cannot discern how the Examiner is applying *Hutton* to claims 2, 17,

32, and 47. Thus, should the Examiner continue to dispute the patentability of the pending claims, Applicants request that the Examiner provide clarification in the next Office Action (which should not be final) as to the basis for rejection. The ambiguity of the rejection notwithstanding, Applicants address the merits of the rejection below.

With regard to claims 2, 17, 32, and 47, the Examiner concedes (Office Action, page 6, 7) that *Bank Marketing* fails to disclose:

...based on contract terms and revenue generated for each of the plurality of new customers; and

...considering a new contract period.

The Examiner also concedes that *Bank Marketing* fails to disclose “determining...there is no effect on churn of a contract expiration,” as recited in claims 5, 20, 35, and 50 (Office Action, page 7).

In rejecting claims 2, 5, 17, 20, 32, 35, 47, and 50, the Examiner relies on *Sanders* in an attempt to cure the above deficiencies of *Bank Marketing*. According to the Examiner, it would have been obvious to a skilled artisan

...to use the contract terms and revenue to calculate the lifetime value with the motivation of determining which customers are bound to an agreement for specified periods of time and using this information to truly calculate how long a customer will be a customer and how much revenue that customer can pull in for that determined time (Office Action, page 7).

Sanders describes an enterprise enhancement system that generates value enhancement solutions. Despite the Examiner’s allegations, Applicants submit that *Sanders* fails to cure the above deficiencies of *Bank Marketing*. For at least this reason, a *prima facie* case of obviousness has not been established. Moreover, Applicants remind the Examiner that determinations of *prima facie* obviousness must be supported by a finding of “substantial evidence.” *See In re Zurko*, 258 F.3d 1379, 1386 (Fed. Cir. 2001). Specifically, unless “substantial evidence” found

in the record supports the factual determinations central to the issue of patentability, including motivation, the rejection is improper and should be withdrawn.

In this case, there is no “substantial evidence” in the record to support the alleged combination of *Bank Marketing* and *Sanders*, and the requisite “clear and particular” motivation required to support a *prima facie* case of obviousness is lacking. The Examiner points to no evidence supporting the assertion that a skilled artisan having *Bank Marketing* before him would have been motivated to combine the reference with *Sanders* in a manner resulting in Applicants’ claimed invention. The Examiner merely provides a general description of how *Sanders* allegedly teaches certain features but that description fails to provide more than conclusory statements, lacking any evidentiary basis to support a motive for combining *Sanders* with *Bank Marketing* in a manner resulting in Applicants’ claimed combination. The Examiner provides no motivation whatsoever for combining *Bank Marketing* and *Sanders* in a manner resulting in Applicants’ invention as set forth in claims 5, 20, 35, and 50.

Thus, even if *Sanders* were to include the features alleged by the Examiner, (to which Applicants do not acquiesce), a *prima facie* case of obviousness has not been established with respect to claims 2, 5, 17, 20, 32, 35, 47, and 50.

Moreover, with regard to claims 5, 20, 35, and 50, the Examiner concedes that neither *Bank Marketing* nor *Sanders* discloses: “based on the shape of the hazard function,” as claimed. The Examiner, however, alleges that *Hutton* cures this deficiency. However, as explained above, *Hutton* does not qualify as prior art within the context of 35 U.S.C. § 103(a). Thus, *Hutton* cannot properly be combined with *Bank Marketing* and *Sanders*. As each and every claimed element cannot be found in *Bank Marketing* and *Sanders* (alone or in combination), a *prima facie* case of obviousness has not been established with regard to claims 5, 20, 35, and 50.

Even if *Hutton* were properly combinable with *Bank Marketing* and *Sanders*—Applicants disputing that notion—a *prima facie* case of obviousness has not been established. According to the Examiner, it would have been obvious to a skilled artisan “to base the lifetime value on the shape of the hazard function with the motivation of supplying a visual form for determining the lifetime value information.”

Hutton describes “the impact of misspecifying fully parametric proportional hazards and accelerated life models” (Abstract). Without conceding that *Hutton* qualifies as prior art, Applicants submit that, contrary to the Examiner’s allegations, *Hutton* fails to disclose or suggest the features of claims 5, 20, 35, and 50. The relied-upon portion of *Hutton* (lines 1-18) states:

“[p]arametric proportional hazards models do not have a sound justification for general use: estimates from misspecified models can be very biased, and misleading results for the shape of the hazard function can arise.”

The Examiner provides no explanation or reasoning to support the conclusory statement that the above passage is consistent with Applicant’s claimed features. Indeed, Applicants submit that neither *Bank Marketing*, *Sanders*, nor *Hutton*, nor any combination thereof, teaches or suggests the features of claims 5, 20, 35, and 50.

Even if *Hutton* could cure the deficiencies of *Bank Marketing* and *Sanders* (to which Applicants do not acquiesce) there is no “substantial evidence” in the record to support the alleged combination of *Bank Marketing*, *Sanders*, and *Hutton*, and the requisite “clear and particular” motivation required to support a *prima facie* case of obviousness is lacking. The Examiner points to no evidence supporting the assertion that a skilled artisan having *Bank Marketing* before him would have been motivated to combine the reference with *Sanders* and *Hutton* in a manner resulting in Applicants’ claimed invention. The Examiner merely provides a general description of how *Hutton* allegedly teaches certain features but that description fails to

provide more than conclusory statements, lacking evidentiary basis, supporting a motive for combining *Hutton* with *Bank Marketing* and *Sanders* in a manner resulting in Applicants' claimed combination. For example, the Examiner alleges that a skilled artisan would have combined the references to supply "a visual form of determining this lifetime value information" (Office Action, page 7). This statement is not supported by "substantial evidence" on the record, as the Examiner points to evidence in *Bank Marketing*, *Sanders*, or *Hutton* mentioning such a "visual form of determining...lifetime value information." Further, the Examiner fails to provide any explanation or reasoning to show how combining the references would yield the supposed "visual form of determining...lifetime value information."

With regard to claims 14, 29, 44, and 59, the Examiner concedes (Office Action, page 7-8) that *Bank Marketing* fails to disclose: "clustering all of the hazard functions for each of the plurality of new customers so that hazard functions with similar shapes can be grouped together," as claimed. The Examiner also concedes that *Bank Marketing* fails to disclose "determining, based on the overall shape of the clustered hazard functions, what retention efforts to take to keep a new customer," as recited in claims 15, 30, 45, and 60 (Office Action, page 8). In rejecting claims 14, 15, 29, 30, 44, 45, 59, and 60, the Examiner relies on *Sanders* for allegedly curing the deficiencies of *Bank Marketing*.

Contrary to the Examiner's allegations, *Sanders* does not disclose or suggest the features of claims 14, 15, 29, 30, 44, 45, 59, and 60. Instead, the relied-upon portion of *Sanders* merely describes a processor that forms "clusters of elemental information" (col. 17, lines 48-52). The Examiner provides no evidence, beyond pure conjecture, to support the notion that forming clusters of elemental information, as described by *Sanders*, is consistent with clustering hazard functions for new customers, as recited in Applicants' claims. Moreover, the relied-upon portion

of *Sanders* is silent about “determining, based on the overall shape of the clustered hazard functions, what retention efforts to take to keep a new customer,” as recited in claims 15, 30, 45, and 60. Thus, even if *Bank Marketing* and *Sanders* were combined, the resultant combination would not yield of the elements recited in claims 14, 15, 29, 30, 44, 45, 59, and 60. For at least this reason, a *prima facie* case of obviousness has not been established with respect to these claims.

In addition, there is no “substantial evidence” in the record to support the attempted combination of *Bank Marketing* and *Sanders*, and the requisite “clear and particular” motivation required to support a *prima facie* case of obviousness is lacking. The Examiner points to no evidence supporting the assertion that a skilled artisan having *Bank Marketing* before him would have been motivated to combine the reference with *Sanders* in a manner resulting in Applicants’ claimed invention. The Examiner merely provides a general description of how *Sanders* allegedly teaches certain features but that description fails to provide more than conclusory statements, lacking evidentiary basis, supporting a motive for combining *Sanders* with *Bank Marketing* and *Sanders* in a manner resulting in Applicants’ claimed combination. For example, the Examiner alleges that a skilled artisan would have combined the references to determine “the average solution for keeping a customer” (Office Action, page 8). This statement is not supported by “substantial evidence” on the record, as the Examiner points to evidence in *Bank Marketing* or *Sanders* mentioning such an “average solution.” Further, the Examiner fails to provide any explanation or reasoning to show how combining the references would yield the supposed “average solution.” For at least these reasons, the Examiner fails to meet the burden for establishing a *prima facie* case of obviousness with respect to claims 14, 15, 29, 30, 44, 45, 59, and 60.

For at least the foregoing reasons, Applicants request withdrawal of the rejection under 35 U.S.C. § 103(a) and the timely allowance of claims 2, 5, 6, 14, 15, 17, 20, 21, 29, 30, 32, 35, 36, 44, 45, 47, 50, 51, 59, and 60.

III. Claims 7-12, 22-27, 37-42, and 52-57

Applicants deem claims 7-12, 22-27, 37-42, and 52-57 patentable at least by virtue of their respective dependence from allowable base claims 1, 16, 31, and 46. Moreover, Applicants submit that a *prima facie* case of obviousness has not been established with respect to these claims.

With regard to claims 7, 9, 22, 24, 37, 39, 52, and 54, the Examiner concedes (Office Action, page 8) that *Bank Marketing* fails to disclose:

determining, based on the shape of the hazard function, that there is a small increase in probability of churn...with an elevated post-expiration churn; and

determining, based on the shape of the hazard function, that there is a large spike indicating high probability of churn...and low probability of churn thereafter (Office Action, page 8).

In rejecting claims 7, 9, 22, 24, 37, 39, 52, and 54, the Examiner relies on *Hutton* for allegedly curing the deficiencies of *Bank Marketing*. According to the Examiner, it would have been obvious to a skilled artisan “to base the lifetime value on the shape of the hazard function with the motivation of supplying a visual form for determining this lifetime value information.” (Office Action, page 9).

As explained above, *Hutton* does not qualify as prior art within the context of 35 U.S.C. § 103(a). Thus, *Hutton* cannot properly be combined with *Bank Marketing*. For at least this reason, a *prima facie* case of obviousness has not been established.

Even if *Hutton* were properly combinable with *Bank Marketing*—Applicants disputing that notion—a *prima facie* case of obviousness has not been established. Contrary to the

Examiner's allegations, Applicants submit that *Hutton* fails to cure the deficiencies of *Bank Marketing*.

Even if *Hutton* were available as prior art and did disclose the features alleged by the Examiner (which Applicants dispute), there is no "substantial evidence" in the record to support the alleged combination of *Bank Marketing* and *Hutton*, and the requisite "clear and particular" motivation required to support a *prima facie* case of obviousness is lacking. The Examiner points to no evidence supporting the assertion that a skilled artisan having *Bank Marketing* before him would have been motivated to combine the reference with *Hutton* in a manner resulting in Applicants' claimed invention. The Examiner merely provides a general description of how *Hutton* allegedly teaches certain features but that description fails to provide more than conclusory statements, lacking evidentiary basis, supporting a motive for combining *Hutton* with *Bank Marketing* in a manner resulting in Applicants' claimed combination. For example, the Examiner alleges that a skilled artisan would have combined the references to supply "a visual form of determining this lifetime value information" (Office Action, page 9). This statement is not supported by "substantial evidence" on the record, as the Examiner points to evidence in *Bank Marketing* or *Hutton* mentioning such a "visual form of determining...lifetime value information." Further, the Examiner fails to provide any explanation or reasoning to show how combining the references would yield the supposed "visual form of determining...lifetime value information." For at least these reasons, a *prima facie* case of obviousness has not been established with respect to claims 7, 9, 22, 24, 37, 39, 52, and 54.

With regard to claims 8, 10-12, 23, 38, 25-27, 40-42, 53, 55, and 57, the Examiner concedes (Office Action, page 9) that neither *Bank Marketing* nor *Hutton* discloses all of the features recited in these claims. The Examiner, however, alleges that *Sanders* cures the

deficiencies of *Bank Marketing* and *Hutton*. Applicants submit that a *prima facie* case of obviousness has not been established for the following reasons.

First, as described above, *Hutton* is not a proper reference within the context of 35 U.S.C. § 103(a) and therefore cannot properly be combined with *Bank Marketing* or *Sanders*. For at least this reason, the rejection of claims 8, 10-12, 23, 38, 25-27, 40-42, 53, 55, and 57 should be withdrawn.

Second, even if *Bank Marketing*, *Hutton*, and *Sanders* were properly combinable and the resultant combination were to yield all of the features recited in claims 8, 10-12, 23, 38, 25-27, 40-42, 53, 55, and 57—Applicants disputing both notions—there is no “substantial evidence” in the record to support the alleged combination of *Bank Marketing*, *Hutton*, and *Sanders*, and the requisite “clear and particular” motivation required to support a *prima facie* case of obviousness is lacking. The Examiner points to no evidence supporting the assertion that a skilled artisan having *Bank Marketing* before him would have been motivated to combine the reference with *Hutton* and *Sanders* in a manner resulting in Applicants’ claimed invention. The Examiner merely provides a general description of how *Sanders* allegedly teaches certain features but that description fails to provide more than conclusory statements, lacking evidentiary basis, supporting a motive for combining *Hutton* with *Bank Marketing* in a manner resulting in Applicants’ claimed combination. For example, the Examiner alleges that a skilled artisan would have combined the references to “[keep] dedicated customers” (Office Action, page 10). This conclusory statement is not supported by “substantial evidence” on the record, as the Examiner fails to provide any explanation or reasoning to show how combining the references would result in “keeping dedicated customers.” Further, Applicants remind the Examiner that the requirements for establishing a *prima facie* case of obvious must “be found in the prior art,

and not be based on applicant's disclosure." M.P.E.P. § 2143 (8th ed. 2001). For at least these reasons, a *prima facie* case of obviousness has not been established with respect to claims 8, 10-12, 23, 38, 25-27, 40-42, 53, 55, and 57.

Accordingly, Applicants request withdrawal of the rejection under 35 U.S.C § 103(a) and the timely allowance of claims 7-12, 22-27, 37-42, and 52-57.

Conclusion:

In view of the foregoing, Applicants respectfully request the reconsideration and reexamination of this application and the timely allowance of the pending claims.

The Office Action contains a number of statements reflecting characterizations of the related art and the claims. Regardless of whether any such statement is identified above, Applicants decline to automatically subscribe to any statement or characterization in the Office Action.

Please grant any extensions of time required to enter this response and charge any additional required fees to our deposit account 07-2339.

Respectfully submitted,

Dated: 9/8/2003

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